

**COUNTY OF SAN LUIS OBISPO BOARD OF SUPERVISORS  
AGENDA ITEM TRANSMITTAL**

(1) DEPARTMENT Auditor - Controller - Treasurer - Tax Collector	(2) MEETING DATE 11/22/2016	(3) CONTACT/PHONE Gordon Eiland, (805) 781-5848 Jim Erb, (805) 788-2964	
(4) SUBJECT Submittal of the Annual Compliance Audit of the County Treasurer's Investment Policy and Oversight Procedures for Fiscal Year Ended June 30, 2016. All Districts.			
(5) RECOMMENDED ACTION It is recommended that your Honorable Board receive, review, and file the attached Treasury Compliance Audit on the San Luis Obispo County Treasurer's Investment Policy and Oversight Procedures for the fiscal year ended June 30, 2016, as submitted by the County Treasury Oversight Committee.			
(6) FUNDING SOURCE(S) N/A	(7) CURRENT YEAR FINANCIAL IMPACT \$4,000.00	(8) ANNUAL FINANCIAL IMPACT \$0.00	(9) BUDGETED? Yes
(10) AGENDA PLACEMENT <input checked="" type="checkbox"/> Consent <input type="checkbox"/> Presentation <input type="checkbox"/> Hearing (Time Est. ____ ) <input type="checkbox"/> Board Business (Time Est. ____ )			
(11) EXECUTED DOCUMENTS <input type="checkbox"/> Resolutions <input type="checkbox"/> Contracts <input type="checkbox"/> Ordinances <input checked="" type="checkbox"/> N/A			
(12) OUTLINE AGREEMENT REQUISITION NUMBER (OAR) N/A		(13) BUDGET ADJUSTMENT REQUIRED? BAR ID Number: <input type="checkbox"/> 4/5 Vote Required <input checked="" type="checkbox"/> N/A	
(14) LOCATION MAP N/A	(15) BUSINESS IMPACT STATEMENT? No	(16) AGENDA ITEM HISTORY <input checked="" type="checkbox"/> N/A    Date: _____	
(17) ADMINISTRATIVE OFFICE REVIEW <i>Nikki J. Schmidt</i>			
(18) SUPERVISOR DISTRICT(S) All Districts			

# County of San Luis Obispo



TO: Honorable Board of Supervisors

FROM: James P. Erb, CPA  
Auditor-Controller-Treasurer-Tax Collector-Public Administrator

DATE: November 22, 2016

SUBJECT: Submittal of the Annual Compliance Audit of the County Treasurer's Investment Policy and Oversight Procedures for Fiscal Year Ended June 30, 2016. All Districts.

## **RECOMMENDATION**

It is recommended that your Honorable Board receive, review, and file the attached Treasury Compliance Audit on the San Luis Obispo County Treasurer's Investment Policy and Oversight Procedures for the fiscal year ended June 30, 2016, as submitted by the County Treasury Oversight Committee.

## **DISCUSSION**

Annually, the County Treasurer presents the Annual Treasury Compliance Audit as submitted by the County Treasury Oversight Committee (CTOC). The CTOC includes the County Auditor-Controller-Treasurer-Tax Collector-Public Administrator, a representative appointed by the County Board of Supervisors, the County Superintendent of Schools or his or her designee, a representative selected by a majority of the presiding officers of the governing bodies of the school districts and community college district in the County, and one member of the public with expertise in, or academic background in, public finance. One of the duties of the CTOC is to cause an annual audit to be conducted to determine the County Treasurer's compliance with the Investment Policy and oversight procedures. To comply with this requirement for fiscal year 2015-16, the CTOC entered into an agreement with the County's external auditors, Brown Armstrong Accountancy Corporation.

The audit report was presented at the October 26, 2016, CTOC regular meeting where it was reviewed and approved. The audit determined that the CTOC, Treasurer, and Investment Policy were in compliance.

## **OTHER AGENCY INVOLVEMENT/IMPACT**

The County's outside auditors, Brown Armstrong Accountancy Corporation conducted the audit. The Administrative Office and County Schools have employees who participate in the CTOC.

## **FINANCIAL CONSIDERATION**

The cost of conducting the annual Treasury Compliance Audit performed by Brown Armstrong Accountancy Corporation was \$4,000. This cost was budgeted in the Board of Supervisors Fund Center 100.

## **RESULTS**

One of the goals of the County Treasurer is to manage the investment pool to ensure the preservation of capital and meet the cash flow needs of investment pool participants. The Compliance Audit Report is an indicator that this goal, which contributes to the communitywide result of a "Prosperous Community," is being met by providing information to the Board of Supervisors and the public regarding Investment Policy compliance when investing public funds.

## **ATTACHMENTS**

1. Compliance Audit Transmittal Letter from Dr. Sheldon K. Smith, Chairperson of CTOC
2. Compliance Audit of the San Luis Obispo Treasurer's Investment Policy and Oversight Procedures